STATEMENT OF JOHN KEYS III

before the

HOUSE WATER AND POWER RESOURCES SUBCOMMITTEE

HERMISTON, OREGON

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Good afternoon. It is a pleasure to address this field hearing of the House Water and Power Resources Subcommittee on the vital topic of water. The Reclamation Act of 1902 established Reclamation as a purely western water resource agency, and laid a strong foundation for a successful state-federal partnership. Section 8 of the 1902 Act provides that the development and operation of Reclamation projects will be undertaken in compliance with state water law. Reclamation has acquired appropriative state water rights for operation of its projects. Reclamation's water rights include storage rights for the operation of project reservoirs.

Subsequent to the Reclamation Act of 1902 several western States enacted special water laws to avail themselves of the benefits of the federal Reclamation program. These changes and strong local support prompted Congress to authorize and appropriate funds for many Reclamation projects. Today, about 2.7 million acres in the Pacific Northwest receive project irrigation water in any given year, a little less than half of all acres irrigated in the Snake and Columbia River Basins below the Canadian border. Later Acts of Congress have modified Reclamation law both generally and specifically. Reclamation must also comply with general statutes like the National Environmental Policy Act and Endangered Species Act, the Northwest Power Act, as well as federal trust responsibilities to Indian tribes.

Reclamation projects have long been operated to meet a variety of needs, some of which were not contemplated at the time of original project construction. Reclamation is a water management agency, and continues to try for improvement in operation of projects to meet the needs of all water users. I would like to discuss our activities on the Umatilla River and those under the Endangered Species Act to protect listed salmon.

UMATILLA BASIN PROJECT

The Umatilla River Basin was initially developed by private irrigation interests. Later, Reclamation constructed McKay Dam for supplemental water supply. Once healthy salmon populations had been reduced to extinction many years ago, except for a small population of resident steelhead. Congress directed Reclamation to build the Umatilla Basin Project (UBP) in 1988 to mitigate losses to anadromous fish resources and continue water deliveries to the four Umatilla Project districts. The project was intended to provide water necessary to restore some of the fishery and partially fulfill the fishing rights reserved to the Confederated Tribes of the Umatilla Indian Reservation (CTUIR) in the 1855 Treaty with the United States and to protect, mitigate and enhance fish and wildlife.

It became evident through the planning stages of UBP that the four Umatilla Basin districts had allowed for deliveries outside the district boundaries. Section 208 of the project authorizing act provides that the Secretary of the Interior may approve modifications to the boundaries of the irrigation districts to include lands irrigated as of October 1, 1988. Several concerned groups including the Confederated Tribes of the Umatilla Indian Reservation (CTUIR) and Water Watch of Oregon have voiced concern that the UBP project would serve additional lands outside the district boundaries to the detriment of fishery flows provided by the UBP.

Considerable efforts have been directed toward addressing the out of boundary irrigation. Earlier this season Reclamation completed interim one-year water delivery contracts with three of the four Umatilla Basin districts providing for delivery of water to the out of boundary lands for the 1995 irrigation season. We are working with the fourth District to resolve several complex issues unique to that District. The interim contracts provide for fishery mitigation in 1995 via a provision in the contracts whereby the Districts agree to provide a portion of their contract storage water for the anadromous fishery. Ongoing studies, funded partially by the Umatilla districts, will develop data necessary for NEPA compliance and ultimate resolution of the out of boundary irrigation concerns.

Associated with the 1995 Agreement with the Westland Irrigation District, three water rights were issued by the State of Oregon: a temporary water right for the out of boundary irrigation deliveries to the Westland Irrigation District; a water right permit to use Reclamation storage water from McKay Reservoir for fishery purposes; and an instream water right in the Umatilla River for fishery purposes. The fishery rights are essential to allow State watermaster protection of the fishery mitigation water down the Umatilla River.

After completion of the first phase of the UBP by 1992, and partial completion of the second phase in 1995, anadromous fish populations in the Umatilla Basin have responded dramatically, rising to several thousand adult salmon returning each year. The Umatilla Basin now ranks as a leading tributary of the Columbia River for increased salmonid returns. Bonneville Power Administration (BPA) provides pump power and other funding for the UBP. The Umatilla Basin has the capacity to provide for even greater adult fish returns in future years. Much credit is owed to the Umatilla Districts, the CTUIR, the State of Oregon, Oregon Department of Fish and Wildlife, BPA and Water Watch of Oregon for their joint willingness and cooperation in working to provide water for the fishery resource in the Umatilla Basin and yet finding a way to maintain irrigation deliveries.

ENDANGERED SPECIES ACT

Beginning in 1991, the Bureau of Reclamation has worked closely with the National Marine Fisheries Service (NMFS), the BPA, the U.S. Army Corps of Engineers (COE), the Northwest Power Planning Council (NPPC), the U.S. Fish and Wildlife Service (FWS) state, Native American, fishery, hydropower, and irrigation interests in trying to preserve salmon runs in the Pacific Northwest under the Endangered Species Act. Reclamation's salmon restoration efforts have been focused in the Fish and Wildlife Program of the NPPC and Biological Opinions of the NMFS, on operation of the Federal Columbia River Power

System (FCRPS). The current Biological Opinion of March 2, 1995 is the river passage piece of a broader Salmon recovery program consistent with NMFS draft salmon Recovery Plan that addresses harvest, hatchery operations, habitat, and river passage. The Biological Opinion addresses a host of issues for the agencies. Reclamation's responsibilities fall into three categories:

- Shifting of Grand Coulee and Hungry Horse reservoir releases to help meet flow targets.
- Providing 427,000 acre-feet of water per year for flow augmentation from the Snake River above Lower Granite Dam.
- Participating in studies, to better understand how river, reservoir, estuary, and ocean conditions affect salmon.

The following flow targets were established in the March 2, 1995 Biological Opinion:

Spring	Snake River at Lower Granite		<u>Columbia River</u> <u>at McNary</u>	
	4/10-6/20	85 - 100 kcfs	4/20-6/30	220 - 260 kcfs
Summer	6/21/-8/31	50 - 55 kcfs	7/1-8/31	200 kcfs

Meeting Columbia River flow targets will effect the operations of Grand Coulee (Washington) and Hungry Horse (Montana) Dams. Local recreation opportunities, fish and wildlife resources and power generation may be affected, but the release of water from Hungry Horse and Grand Coulee should not impact Reclamation's obligations to its contract holders. Irrigation is an authorized function of the Hungry Horse project, but no irrigation contracts have been executed. Consequently, power, flood control, and stream flow regulation have traditionally dictated Hungry Horse releases. The irrigation needs at Grand Coulee can easily be met from natural river flows, so the reservoir storage has been available for power and other purposes.

Potential drawdown of COE reservoirs is not expected to impact the operation of Reclamation projects. Reclamation defers to the COE, Bonneville, NMFS, and the NPPC to resolve these very challenging issues.

Flow augmentation water from the Snake River Basin above Lower Granite dam has been identified as desirable for salmon protection and recovery. Water has been released from Reclamation project reservoirs and the Idaho Power Company's Brownlee Reservoir every year since 1991.

In order to provide 427,000 acre-feet each year for flow augmentation, Reclamation projects will be stretched as much as possible while still meeting Reclamation's contractual obligations to contract holders. Additional water will still be needed, which Reclamation will purchase from willing sellers. NMFS Biological Opinion reflects this decision and

Reclamation's compliance with state water law by incorporating two important conditions with respect to the 427,000 acre-feet:

- Reclamation will acquire water from willing sellers
- Reclamation will provide water in accordance with state water law.

Idaho and Eastern Oregon water users are being contacted about the possibility to rent or purchase their water supplies. Reclamation has permanently acquired two blocks of reservoir storage from project reservoirs in Idaho totaling some 22,000 acre-feet. It has also rented water from Idaho irrigation spaceholders in four of the last five years.

Reclamation is proud of its heritage as a western water resource agency that has forged strong partnerships with states and local communities, and is committed to meeting fully the requirements of applicable laws, in partnership with project water users and other stakeholders.

It is always a pleasure to discuss Reclamation's activities. I would be pleased to respond to any questions you may have. Thank you very much.